

**RECEIVED**  
JUN 23 1987

DIVISION OF  
OIL, GAS & MINING

(August 1985)  
(Noncoal)

Bond Number BNI

Permit Number M/045/02

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

THE MINED LANDS RECLAMATION ACT

BOND

\*\*\*\*\*

The undersigned Lone Star Industries, Inc.  
as principal, and Firemen's Insurance Company of Newark, New Jersey as  
surety, hereby jointly and severally bind ourselves, our heirs, administrators,  
executors, successors and assigns unto the State of Utah, Division of Oil, Gas  
and Mining in the penal sum of Thirty-two Thousand Eight Hundred And  
No/100----- dollars (\$ 32,800.00-----).

The principal estimated in the Mining and Reclamation Plan filed with the  
Division of Oil, Gas and Mining on the 30th day of April  
19 87, that 13.3 acres of land will be disturbed  
by this mining operation in the State of Utah. A description of the disturbed  
land is attached hereto as Exhibit "A."

When the Division has determined that the principal has satisfactorily  
reclaimed the above-mentioned lands affected by mining in accordance with the  
approved Mining and Reclamation Plan and has faithfully performed all  
requirements of the Mined Land Reclamation Act, and complied with the Rules  
and Regulations adopted in accordance therewith, then this obligation shall be  
void; otherwise it shall remain in full force and effect until the reclamation  
is completed as outlined in the approved Mining and Reclamation Plan.

If the approved plan provides for reclamation of the land affected on a  
piecemeal or cyclic basis, and the land is reclaimed in accordance with such  
plan, then this bond may be reduced periodically.

In the converse, if the plan provides for a gradual increase in the area  
of the land affected or increased reclamation work, then this bond may  
accordingly be increased with the written approval of the surety company.

The Division shall only accept the bond of a surety company if the bond is  
noncancellable by the surety at any time for any reason including, but not  
limited to nonpayment of premium or bankruptcy of the permittee during the  
period of liability.



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NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officer.

Dated this 16th day of June, 1987.

State of Utah  
Board of Oil, Gas and Mining

Gregory P. Williams, Chairman

Lone Star Industries, Inc.  
Principal (Company)

By B. H. Sinkey  
Company Officer - Position  
B. H. Sinkey, Vice President

Date: June 19, 1987

Firemen's Insurance Company of  
Newark, New Jersey

Surety (Company)

By Frank J. Niestadt, Jr.  
Surety Company Officer - Position  
Frank J. Niestadt, Jr., Attorney

DATE: June 16, 1987

APPROVED AS TO FORM:

By \_\_\_\_\_  
Assistant Attorney General



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AFFIDAVIT OF QUALIFICATION

Frank J. Niestadt, Jr., being first duly sworn, on oath deposes and says that he/she is the (officer or agent) Attorney of said Surety Company, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety Company is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations.

(Signed) Frank J. Niestadt, Jr.  
Surety Company Officer - Position  
Frank J. Niestadt, Jr., Attorney

Subscribed and sworn to before me this 16<sup>th</sup> day of June, 1987.

Mary Tobin  
Notary Public

My Commission Expires:

April 30, 1989.

MARY TOBIN  
Notary Public, State of New York  
No. 30-3993365 Qual. in Nassau County  
Cert. filed in N.Y. Co. Clk's Office  
Commission Expires April 30, 1989



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DIVISION OF  
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Firemen's Insurance Company of Newark, New Jersey  
FINANCIAL STATEMENT

AS OF  
DECEMBER 31, 1985

ASSETS	
Cash .....	\$ 6,043,353
Bonds and Stocks .....	1,032,577,554
Interest, Dividends & Rents Accrued .....	10,228,473
Agents' Balances Receivable .....	159,445,704
Other Assets .....	163,159,094
Real Estate .....	3,514,000
Mortgage Loans On Real Estate .....	95,378
Equities and Deposits in Pools & Associations .....	17,167,771
Total Admitted Assets .....	<u>\$ 1,392,231,327</u>

LIABILITIES, CAPITAL & SURPLUS	
Reserve for Unearned Premiums .....	\$ 319,092,736
Reserve for Losses .....	655,577,413
Reserve for Loss Expenses .....	105,184,915
Reserve for Taxes & Expenses .....	7,114,282
Reserve for Other Liabilities .....	38,971,977
Total Liabilities .....	<u>\$ 1,125,941,323</u>
Capital .....	4,050,000
Surplus .....	262,240,004
Policyholders' Surplus .....	266,290,004
Total Liabilities, Capital & Surplus .....	<u>\$ 1,392,231,327</u>

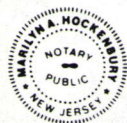
STATE OF NEW JERSEY  
COUNTY OF MIDDLESEX } SS:  
CITY OF PISCATAWAY

F.M. Colalucci, being duly sworn says: That he resides in Mendham, New Jersey and that he is Vice President and Controller of FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, that said Company is a Corporation duly organized, existing, and engaged in business as a Surety by virtue of the Laws of the State of New Jersey and has duly complied with all the requirements of the Laws of said State and the Laws of the State of **Utah** applicable to said Company, and is duly qualified to act as Surety under such laws; that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved July 30, 1947, 6 U.S.C. secs. 6-13 to qualify as sole surety on recognizances, stipulations, Bonds and undertakings permitted or required by the laws of the United States, to be given with one or more sureties; and that the foregoing is a full, true and correct statement of the financial condition of said Company on the 31st day of December 1985 to the best of his knowledge and belief.

Sworn to before me this 1st  
day of May 1986

*Marilyn A. Hockenbury*

MARILYN A. HOCKENBURY  
A Notary Public of New Jersey  
My Commission Expires June 23, 1988



CERTIFICATE



*F.M. Colalucci*

Vice President and Controller

SURETY ACKNOWLEDGMENT

State of NEW YORK  
County of NEW YORK  
City of NEW YORK } SS.:

On this 16th day of June, in the year 19 87  
before me personally came Frank J. Niestadt, Jr.  
to me known, who, being by me duly sworn, did depose and say that he resides in New York, New York  
; that he is the Attorney of Firemen's Insurance Company of Newark, New Jersey, the corporation  
described in and which executed the attached instrument; that he knows the corporate seal of the said corporation; that  
the seal affixed to the said instrument is such corporate seal; and that it was so affixed by order of the Board of Directors of  
the said corporation, and that he signed his name thereto by like order.

*Mary Tobin*

MARY TOBIN  
Notary Public, State of New York  
No. 30-3993365 Qual. in Nassau County  
Cert. filed in N.Y. Co. Clk's Office  
Commission Expires April 30, 1988

Notary Public

Printed in U.S.A.



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OIL, GAS & MINING

# Firemen's Insurance Company of Newark, New Jersey

180 Maiden Lane, New York, New York 10038

## GENERAL POWER OF ATTORNEY

Know all men by these Presents, That the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has made, constituted and appointed, and by these presents does make, constitute and appoint D. M. McKeown or George B. Sloane or Lois M. Briggs or Joan T. Camporini or Frank J. Niestadt, Jr. or Carol L. Tietz all of New York, New York its true and lawful attorney, for it and in its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertakings and contracts of suretyship to be given to

All Obligees

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of  
One Million (\$1,000,000.) Dollars.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY at a meeting duly called and held on the 20th day of February, 1975:

"RESOLVED, that the Chairman of the Board, the Vice Chairman of the Board, the President, an Executive Vice President or a Senior Vice President or a Vice President of the Company, be, and that each or any of them hereby is, authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute in behalf of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, bonds, undertakings and all contracts of suretyship; and that an Assistant Vice President, a Secretary or an Assistant Secretary be, and that each or any of them hereby is, authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.

FURTHER RESOLVED, that the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached."

In Witness Whereof, the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has caused its official seal to be hereunto affixed, and these presents to be signed by one of its Vice Presidents and attested by one of its Assistant Vice Presidents this 1st day of May, 1985.

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

Attest:

By

*Robert W. Adler, Sr.*

Robert W. Adler, Sr., Assistant Vice President



*Michael J. Beernaert*

Michael J. Beernaert, Vice President

STATE OF NEW YORK  
COUNTY OF NEW YORK

On this 1st day of May, 1985, before me personally came Michael J. Beernaert, to me known, who being by me duly sworn, did depose and say that he is a Vice President of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



CERTIFICATE

*Ethel Taranto*  
ETHEL TARANTO  
NOTARY PUBLIC, State of New York  
No. 24-4663117 Qual. in Kings County  
Commission Expires March 30, 1986

I, the undersigned, an Assistant Vice President of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, a New Jersey corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed at the City of New York, in the State of New York. Dated the 16th day of June, 1987.



*James M. Keane*



The QUARRY ANTON PLACER Mining Claim, a patented mining claim, designated by the Surveyor General as Survey No. 5621, situate in the Free Coinage Mining District, and containing 160 acres, more or less, more particularly described as follows:

Beginning at corner No. 1, marked 1-5621 in a mound of earth and rock, from which the corner common to Sections 2, 3, 10 and 11 in Township 2 South, Range 6 West bears N.  $57^{\circ} 23' 20''$  East 19,593.7 feet distant. U. S. Location Monument No. 4 bears S.  $10^{\circ} 23'$  West 3,064.2 feet distant, and discovery point bears N.  $85^{\circ} 40'$  East 677.3 feet distant; and running thence North 2,640 feet to corner No. 2, marked 2-5621 in a mound of earth and stone, thence East 660 feet to corner No. 3, marked 3-5621 in a mound of stone, thence North 2,640 feet to corner No. 4, marked 4-5621 in a mound of stone, thence East 1,320 feet to corner No. 5, marked 5-5621 in a mound of stone, thence South 2,640 feet to corner No. 6, marked 6-5621 in a mound of earth and stone, thence West 660 feet to corner No. 7, marked 7-5621 in a mound of stone, thence South 2,640 feet to corner No. 8, marked 8-5621 in a mound of stone; thence West 1,320 feet to corner No. 1, the place of beginning.

( Located in Secs. 17 and 18 of Tp. 2 S., R. 6 W., S.L.B. & M., U. S. Survey ( with portions thereof possibly extending north into Sections 7 and 8 of said Township and Range ) ).

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TO WORKING  
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RECORDS OF THE  
S. L. B. & M.  
JAN 11 1911